COUNCIL OF ONTARIO UNIVERSITIES
CONSEIL DES UNIVERSITÉS DE L'ONTARIO

RECORD

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Election 1999: Party Issues See Inside

New provincial investment helps students and creates new spaces

The Council of Ontario Universities (COU) reacted favourably to the 1999 Ontario Budget, which provides new spending on buildings, upgrades, research facilities, additional program spaces, and student scholarships.

The content of the budget expenditures mirrored at higher education issues that government recognizes the importance of Ontario's universities to its economic growth agenda. "When one looks at the level of new spending in the budget, it's clear that the government is making a very strong statement about the importance of universities and colleges in the future of this province," says Robert Prichard, chair of COU and president of the University of Toronto.

The May 4 budget allocates $742 million in new capital spending for Ontario's colleges and universities through the Super Build Growth Fund. According to papers released with the budget, the dollars will support new construction as well as more efficient utilization of classrooms, labs, and other facilities.

The funding injection comes at a critical time for Ontario universities, which are bracing for a record surge in demand beginning in 2001, that will arise from a convergence of several factors (see story on page 2). The budget shows that the government has understood the magnitude of future demand pressures — the funds are explicitly aimed at helping universities and colleges make the necessary investments in infrastructure to accommodate growth in the student population.

"The $742 million investment in capital will help us build new classrooms and labs, while upgrading our existing facilities. We know that universities will be facing huge demand pressures in a few years and the government is helping provide the necessary physical capacity," says Prof. Prichard. "The government has provided significant new resources that will help improve the quality of the educational experience for students and expand the number of spaces in high demand programs."

Prof. Prichard believes that the analytical work of COU throughout the fall and early spring has had an impact on the outcome of the budget (see story on page 7). Studies commissioned by COU, and released on March 31 of this year, suggest that Ontario universities could face a 40 per cent increase in student demand over the next decade. We have been working with the government to give her this planning and today's capital announcement is an important first step. We look forward to working with the government to address the other key challenges of providing adequate public investment in operating resources."

The budget also establishes a new Aiming for the Top tuition scholarship program to help students who earn top marks but require financial assistance to attend college or university. When the program reaches maturity, it will be phased in over several years beginning in fall 2000, the government will be providing $35 million in awards to 10,000 students. Individual scholarships will be valued at up to $3,500 annually and may be awarded for up to four years. The government has challenged the private sector to provide matching funds to double the number of scholarships to 10,000.

Ian Clark, president of COU, calls the government's scholarship program "a useful addition to the student assistance efforts of the universities." Dr. Clark says that Ontario universities will work with their private sector partners to help meet the challenge of doubling the number of scholarships available.

Other budget highlights include an extension of the Access to Opportunities Program (ATOP) to fund new spaces in high demand programs such as engineering and computer science. An additional $78 million in provincial funding will increase the number of places by 6,000 from 17,000 to 23,000. The new investment will fund start-up and ongoing operating support that will be flowed within the remaining two years of the original ATOP program. "This welcome initiative will build on an already highly successful partnership among government, industry, and the universities for the benefit of thousands of additional students," says Prof. Prichard.

The government has also announced the creation of a $750 million endowed fund for research infrastructure projects. The Ontario Innovation Trust will provide funding to Ontario research institutions for investments in laboratories, buildings, and equipment. The fund will improve the research capacity of Ontario universities by helping them leverage additional funding from other sources.

Prof. Prichard says that "The Ontario Innovation Trust will be a very valuable tool for Ontario universities in competing for federal research and development dollars under the Canada Foundation for Innovation program."

A separate announcement, also on May 4, brought more good news for Ontario students and their families. COU is pleased to learn of the new agreement in student assistance struck between Ontario and the federal government. The Canada-Ontario Agreement on the Harmonization of Federal and Provincial Student Loans Programs creates a single loan and streamlines loan administration in a way that simplifies financial assistance for student borrowers.

"It is encouraging that the governments have moved forward on such an important matter as student assistance," says Dr. Clark, adding that, "This is one instance where the agreement between the Ontario government and Canada Millennium Scholarship Foundation will improve access to opportunities for Ontario students and reduce student debt."

1999 Ontario Budget Highlights

Capital

- $742 million (for universities and colleges) in 1999-2000 to support construction of new classrooms, labs, and other facilities. Includes
  - $660 million for new projects.
  - $62.5 million in 1999 for the Facilities Renewal Program (base funding for program has increased to $40 million from $22.5 million).
  - $19.4 million to complete existing projects.

Student Assistance

- $35 million (at maturity) for a new tuition scholarship program for top academic achievers who need financial assistance. Aiming for the Top scholarships will await La maximum of $3,500 annually for up to four years to 10,000 students (multi year phase in; first 2,500 awards will be given in September 2000). The private sector will be challenged to provide matching funds to double the number of awards available.

Operating Base

- $23 million increase (1%) in base operating funding to universities and colleges to help them accommodate more students in September 1999.

Research

- $250 million for an Ontario Innovation Trust to support infrastructure costs (including laboratories, buildings, and equipment) at Ontario research institutions.

Access to Opportunities Program (ATOP)

- $78 million in additional provincial funding to the ATOP program to expand the number of places available in computer science and high demand engineering programs. ATOP spaces will increase by almost 40%, creating a total of 23,000 new opportunities for students (up from 17,000).

Number of secondary school applicants up by 5.7%

The first report of the Ontario Universities' Application Centre (OUAC) for the 1999 admissions cycle shows that the number of secondary school applicants is up 5.7 percent over the same period last year. "We are beginning to see the effects of the increase in the 18- to 24-year-old age group," says OUAC executive director Greg Marmette, who attributes approximately half of the upward movement to this demographic factor. The percentage increase represents the biggest annual jump in applicant numbers within the past ten years. According to Mr. Marmette, "This increase reinforces that there is clear awareness that having a university education is key to career advancement in the new millennium."

Demand Versus Capacity: Issues for Ontario Universities

KEY FACTS

Following are highlights from COU's March 1999 report, *Ontario's Students, Ontario's Future*, which synthesizes the findings of recently commissioned studies by PricewaterhouseCoopers and the Angus Reid Group (see story opposite).

Demand

- Ontario is on the verge of the greatest increase in demand for university opportunities in more than 30 years.
- Full-time university enrolment will likely increase by approximately 40% (88,900 additional students) over the next decade owing to an increase in the population of 18- to 24-year olds, rising participation rates, changing work force requirements, and the impact of reforms within the Ontario secondary school system.
- Much of the increase will occur in the next five years as a result of secondary school reforms.
- To meet the demand, Ontario needs to mobilize resources on a scale equivalent to providing places for as many students as the current, combined enrolments of Lakehead, Laurentian, McMaster, Ottawa, Waterloo, and York.

Resources

- Ontario's student/faculty ratio is the highest in Canada. Over the past 10 years, as faculty numbers have declined, the student/faculty ratio at Ontario universities has steadily increased. It is now more than 20% above the average of the other nine provinces.
- Ontario universities will be losing record numbers of faculty to retirement just as student demand is peaking. One-for-one replacement hiring will not be enough to provide a sufficient faculty complement.
- Between 11,000 and 13,000 new faculty will be needed to meet the increased demand, replace retiring faculty, and bring Ontario's student/faculty ratio in line with the Canadian average.
- Universities must have new faculty in place by 2002, when demand will begin to escalate sharply. Faculty recruitment takes two to three years to complete.
- Studies estimate that the cost of deferred maintenance at Ontario universities (lab, teaching facilities, instructional equipment, and research laboratories) now stands at approximately $600 million and is projected to exceed $1.3 billion by 2010.
- At more than half of Ontario's universities, enrolments are now as high, or nearly as high, as they have ever been. Even if the universities in this group with room to grow were to raise their enrolments to their historically highest levels, they could only accommodate a further 12,800 students.

Research Infrastructure

- Canada depends on the higher education sector for almost one quarter of its national research and development effort, but lags behind its G-7 counterparts in gross expenditure on R&D as a percentage of the GDP.
- Ontario is home to over 40% of the scholarly and research activity in Canada.
- Support for basic research costs has declined from approximately 20% a decade ago to about 10% in recent years. This decline contrasts with support levels of between 50% and 120% in competing U.S. jurisdictions.
- Constraining the research capacity of universities reduces their ability to attract and retain the very best faculty, in an internationally competitive marketplace.

Student Assistance

- In 1997-98, more than 217,000 postsecondary students relied on the government's Ontario Student Assistance Program (OSAP).
- 30% of all new tuition fee revenue is set aside by institutions for student financial aid. The Ontario Student Opportunity Trust Fund has helped build endowments worth over $600 million to assist college and university students in need.
- Average student debt levels have more than doubled since the elimination of the Ontario Study Grant.

Funding Requirements

- Within five years, the demands for additional public funding could be well over $1 billion per year. This would represent an increase over today's levels of 63% (low scenario) to 103% (high scenario). A $1 billion annual increase in public funding corresponds to about $88 per person living in Ontario.

Studies suggest demand surge: Public expects access and quality to be preserved

Angus Reid, COU and PricewaterhouseCoopers panels released three reports at a March 31 press conference at Queen's Park. Left to right: Bob Richardson, senior vice-president, Angus Reid Group; Robert Prichard, chair, COU and president, University of Toronto; Michael Goodley, partner, PricewaterhouseCoopers.

Two major studies commissioned by COU in fall 1998 show that while demand for university education in Ontario could grow by as much as 40 per cent over the next decade, Ontarians still expect that all qualified students will have access to quality education in their province.

The first study, undertaken by the management consulting organization **Price waterhouseCoopers (PwC)**, analyzes enrolment projections over the next decade and the capacity of Ontario universities to meet the anticipated demand. The study reports that, owing to a combination of factors, enrolments are likely to swell by an additional 88,900 students by 2010.

In comparison with the PwC report, COU also commissioned the **Angus Reid Group** to examine public expectations of Ontario universities and obtain the public's views on options for dealing with the increased demand. Findings from Angus Reid's public opinion survey, conducted in January, demonstrate decisively that Ontarians expect that all qualified students will be able to obtain a university education with high quality teaching and research. Of the 1,000 people surveyed, 96 percent agreed that it is a priority for government to ensure access for every qualified student.

The surge in demand is expected to begin in 2002 when secondary school reforms will result in an abrupt rise in the number of high school graduates — a phenomenon known as "the double cohort." At the height of the peak (2004-2005) secondary school reform could see an additional 33,500 young people seeking opportunities at Ontario universities. This phenomenon will occur in concert with a substantial growth in the 18- to 24-year old population, increasing rates of participation in university education, and changing work place requirements that demand higher educational attainment.

The PwC report provides statistical evidence that pressures on Ontario universities to respond to the demand will be strongest at precisely those points where the grant reductions of the 1990s have left universities most vulnerable — in faculty numbers, physical capacity to accommodate increased enrollment, and facilities and resources for teaching, learning and research.

"The PwC study suggests that we could face a 40 percent increase in demand. This should not be viewed as a temporary problem," says Robert Prichard, chair of COU and president of the University of Toronto. "This is an opportunity to plan for the long term. Ontario universities welcome this opportunity to move forward, in partnership with government, to achieve the shared goal of ensuring that our standards match or surpass international benchmarks."

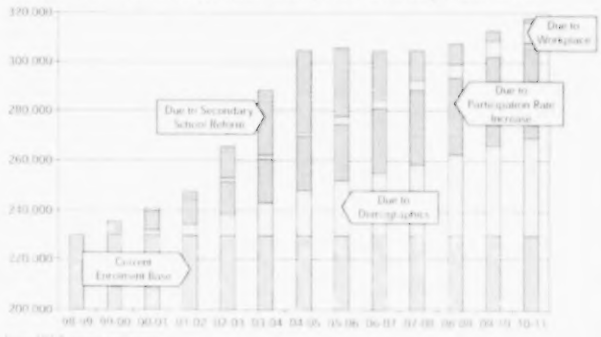
Both universities and government will have their work cut out for them to meet that expectation. Ontario is on the verge of the greatest increase in demand for university opportunities in 30 years. Projections show that Ontario universities must hire between 11,000 and 13,000 new and additional faculty to keep pace with enrolment growth, replace retiring faculty, and reduce the student/faculty ratio to the national average. Additional laboratories, classrooms, and library resources are also needed.

The Angus Reid study notes that Ontarians consider these to be pressing issues that call for a response. The public not only expects action to accommodate the demand surge, but also expects Ontario students to receive an education of comparable quality to that offered in competing jurisdictions.

Maintaining quality and accessibility will require a major investment by the people of Ontario. To assist with the next stages of analysis, a COU report, Ontario's Students, Ontario's Future, provides "low" and "high" cost models. Its

Potential for 88,900 More Students by 2010

Projected Full-time University Enrolment in Ontario from Demographics, Participation Rate Increases, Workplace Changes and Secondary School Reform



The combination of four factors — 18- to 24-year old population growth, rising participation rates, changing workplace requirements and secondary school reform — could see demand for university education in Ontario increase by almost 40 percent over the next decade, as 88,900 additional students swell the current enrolment of approximately 229,000 to 317,900 by 2010. The pressure that this overall increase in demand will create for universities is a multi-year phenomenon that spans eight to ten years.

ONTARIO ELECTION

Where the Parties Stand on Higher Education

In recent weeks Ontario's three main political parties have released their election platforms. Following are highlights that capture each party's stance on higher education issues and policy, together with relevant public statements by the three party leaders.

Progressive Conservative Platform: "Blueprint"

- Will provide tuition scholarships — up to $3,500 annually for up to four years — for 10,000 Ontario students in the top academic percentiles who require financial assistance. (See the budget feature on page 1 for more information.)
- Will commit $10 billion over five years for road, hospital, and school construction. Has a plan to secure a minimum of $10 billion more in private sector funding.

The party has identified several strategies for responding to increasing demand for university education in the next decade:

- Will build and modernize colleges and universities for future demands.
- Has stated its commitment to ensuring that every willing and qualified Ontario student will be able to attend college or university.
- Will expand the number of college courses with direct job links where appropriate and experiment with the same approach in universities.
- Will measure the job placement results for graduates of all college and university programs. First priority in expansion plans will go to those schools with the best results.
- Will increase the number of joint degree completion programs between colleges and universities.

Comments From **Premier Mike Harris** — Progressive Conservative Leader

"Ontario's universities...have a long history, not just of innovation and excellence, but of preparing the leaders we rely upon in society. These are traditions that we in the Ontario government...are dedicated to seeing continued.

"I think many of you share my goal for Ontario that we want our province to be the best jurisdiction in North America to live and work and invest in and to raise a family. A skilled and highly educated workforce is absolutely essential and central to our ability to be able to reach that goal.

"It's no secret, that like so many of our institutions today, Ontario's universities are facing tremendous pressures on all fronts. Between changing demographics, funding challenges, the rapid growth of information technology, and an entirely new way of doing business around the world, our universities are being asked to manage a great deal of change in a very short time. Our universities have shown that they are up to this challenge — in many ways, more than some businesses."

Liberal Platform: "The 20/20 Plan"

- Will cut tuition fees by 10 percent immediately.
- Will re-regulate tuition fees for professional programs.
- Will restore student aid for part-time students.
- Will allow working students to earn up to $1,800 during the school year without having their student aid deducted.
- Will increase investment in postsecondary education to meet the national average within five years.
- Will target college and university funding at programs that will prepare Ontario for the social and economic challenges of the next 20 years.
- Will issue report cards on college and university programs so that students and their parents can make informed choices. The report cards will specify whether the courses are taught by a professor or a teaching assistant, how large the classes are, how many students from that program have found employment, and how many program students have been accepted into graduate school.

Comments From **Dalton McGuinty** — Liberal Leader

"Let me speak to the issue of colleges and universities. I think most people understand today that in the new economy you can only earn if you learn. The new jobs will only go to those who are the best educated and the most highly skilled."

"Our 20/20 Plan is going to make these investments in our colleges and universities because our goal is to make Ontario's economy the most productive in North America. We understand that a strong economy is what provides high quality of life, including quality health care and quality education."

"If you look around the world and you examine those jurisdictions which enjoy sustained economic prosperity, there is a common thread that runs through each and every one of them. The common thread is as follows in those jurisdictions: They invest in their people by giving them the best possible education."

NDP Platform: "Today's NDP: Clearly on Your Side"

- Will immediately commit $180 million in increased funding to colleges and universities as "a down payment toward bringing Ontario's spending on postsecondary education up to the national average."
- Will cut tuition fees by 10 percent immediately.
- Will re-regulate tuition fees.

Comments From **Howard Hampton** — NDP Leader

"What's important in this new economy? What's important is having the most knowledgeable workforce, having a workforce that is talented, that is skilled, that has the capacity in this knowledge economy to apply itself and to create the new opportunities. But to get that, to have a population of Ontarians who are skilled, who are knowledgeable, who are capable, who are talented, we must invest in them. We must invest in their communities, we must invest in their schools, we must invest in their colleges, we must invest in their universities."

"Young people should not have to mortgage their future to get a higher education that not only helps them but helps our economy be more productive. Attracting their knowledge, maintaining their knowledge, maintaining their skills is the key to success. In fact, investors come to Ontario because of the quality, the skills, the knowledge of our workforce. They come here because of our capacity to be productive, not just because it's a good place to live but because it makes good economic sense."

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the mid-years of the next decade, the projected increase in annual investment required for operations, capital, and student assistance ranges from a low of $1.2 billion to a high of $1.8 billion. Ontario's *Students, Ontario's Future*, which synthesizes the findings of PwC and Angus Reid, also outlines the universities' commitment to maximize the use of new technologies, to work more closely with the colleges, to search for ways to use existing resources more effectively, and to develop additional performance measures. (See "Key Facts," page 2, for highlights from the report.)

The projected costs are intended to be illustrative rather than definitive, but they provide an idea of the magnitude of the challenge before us," says COU president Ian Clark. Dr. Clark is confident that the continuing discussions with government will lead to a consensus on the most cost-effective solutions.

The PwC, Angus Reid, and COU reports were released together on March 31 at a well-attended press conference at Queen's Park. The extensive local and national print and broadcast media coverage illustrates the importance of these issues as they affect thousands of students and their families.

Survey reinforces facts: Employment rates high for university grads

Recent university graduates are doing exceptionally well in today's job market, according to the results of a recent survey conducted by Ontario universities. The overall employment rate for 1996 graduates of undergraduate degree programs, after two years out, is 96.7 percent.

The results, which are consistent across all fields, show that graduates are translating their skills directly into employment — with social sciences and humanities each at 96.1 percent, law at 95.8 percent, business at 97.7 percent, and nursing at 98.9 percent. "It's great to have yet another confirmation that our graduates are doing so well in the job market," says Robert Prichard, COU chair and president of the University of Toronto. "We've known from other statistical reports that university graduates have the highest rates of employment across any category of educational attainment. These results show that the success rate is distributed across the full range of disciplines taught at our universities."

The survey was conducted in conjunction with the Ministry of Education and Training over last winter through mailed surveys and follow-up telephone contact. More than 25,000 surveys were completed, which represents 54 percent of the Class of 1996.

Coalition wants Ontario universities funded at the national average

A coalition made up of parties interested in university education has been active around Queen's Park in recent weeks getting out its message about the underfunding of Ontario universities.

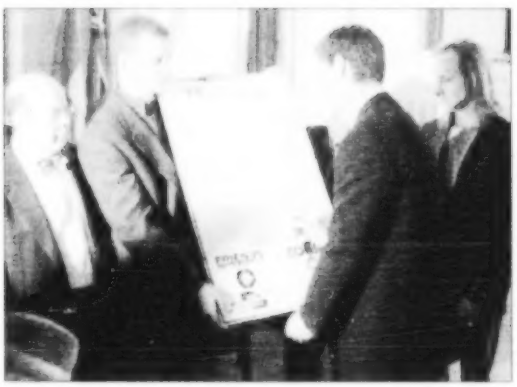
The Coalition on University Education is calling for an increase to university operating grants. At an April 12 press conference, members released a pamphlet highlighting the effects of current funding levels and asking electoral candidates to commit their party to bringing funding to the national average. The coalition had a double success when two Ontario party leaders, Dalton McGuinty and Howard Hampton, signed the pledge on April 26.

The coalition has brought together many different parties that are concerned about university education, including the Ontario Undergraduate Student Alliance, the Canadian Federation of Students – Ontario, the Ontario Graduate Association, Friends of Ontario Universities, the Canadian Union of Public Employees, and the Ontario Confederation of University Faculty Associations.

COU has been participating in discussions with coalition members about advocacy positions. On March 31, COU released *Ontario's Students, Ontario's Future*, a report that synthesizes findings from recent COU commissioned studies by PricewaterhouseCoopers and Angus Reid and provides costing models for university reinvestment. (See page 2 for highlights of findings from the three reports.)

The coalition is conveying an important and timely message about the funding of Ontario universities. "The work of the coalition underscores some of the significant challenges faced by Ontario universities today — challenges that will be compounded as we face increased demand at our universities," says COU president Ian Clark.

COU continues to meet with coalition members to discuss avenues of collaboration on issues of common concern.



Left to right: Henry Mandelbaum, executive director, Ontario Confederation of University Faculty Associations (OCUFA); Andrea Biggs, executive director, Ontario Undergraduate Student Alliance; Dalton McGuinty, leader of the Ontario Liberal Party; Mark Rosenfeld, government and community relations officer, OCUFA; Chris Burst, Ontario Graduate Association.

Left to right: Gary Polonsky, president, Durham College, representing ACAATO; Veronica Lacey, deputy minister, Ministry of Education and Training; Robert Prichard, chair, COU, and president, University of Toronto.

New opportunities for college diploma graduates

A formal accord is now in place that will greatly enhance the opportunities for college diploma graduates to earn degrees from Ontario universities.

The Ontario College-University Degree Completion Accord sets out a series of principles for developing degree completion arrangements between colleges and universities. It also provides a matrix to guide the creation of new degree programs and degree completion agreements. Universities and colleges will work together, voluntarily within the framework of the accord, with each agreement requiring approval by the relevant governing bodies of the institutions.

The accord was developed by the College-University Consortium Council (CUCC), co-chaired by Gary Polonsky, president of Durham College, and David Atkinson, president of Brock University. It was later endorsed by COU and the Association of Colleges of Applied Arts and Technology of Ontario (ACAATO).

The accord was signed on May 6 by Gary Polonsky and University of Toronto president Robert Prichard, representing the colleges and universities respectively, at a ceremony conducted at the Ministry of Education and Training.

The College-University Consortium Council was established in April 1996 by the Ministry of Education and Training with a mandate to "facilitate, promote, and co-ordinate joint education and training ventures that will aid the transfer of students from sector to sector, facilitate the creation of joint programs between colleges and universities, and further the development of a more seamless continuum of post-secondary education in Ontario."

CUCC is funded by the Ministry of Education and Training and is composed of three university and three college representatives along with one ministry representative. COU and ACAATO are joint sponsors of the Consortium Council.

Education a top priority for economic prosperity: OJIB report

COU responded favourably to the recently released report of the Ontario Jobs and Investment Board (OJIB), *A Road Map to Prosperity: An Economic Plan for Jobs in the 21st Century*. The report establishes a mission for Ontario — goals, strategies, and actions — to achieve sustainable economic prosperity with the best performing economy and highest quality of life in North America over the next 10 years.

To achieve this mission, the OJIB report identifies five strategic areas, the first being "knowledge and skills." More than half of the priorities to enrich the economic foundation of Ontario set out in *A Road Map to Prosperity* revolve around education.

"Recognition of the importance of education to the future of this province and its people is threaded throughout the report," says Paul Davenport, vice-chair of COU. "It is clear that the thousands of Ontarians who participated in the consultation process leading up to the creation of the report place the skills and knowledge that our population possesses at the top of the list."

Priorities for making Ontario home to a world-class education system — which the report identifies as a central goal — include attracting and retaining the best and brightest educators and researchers to our campuses, ensuring the delivery of quality education, increasing the province's research capacity, and improving the range of assistance programs available to students.

"We are particularly pleased that the report reflects a shared commitment to these priorities," says COU president Ian Clark. "The report features a wide range of ideas for action. Ontario universities look forward to participating fully with the government and people of Ontario to secure our province's future."

Ontario universities participated in OJIB's consultation processes through the submission of briefs and written commentaries. They were also represented at each of the seven Premier's Conferences which were held across the province last fall.

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